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Wellness Programs – A Healthy Initiative

As healthcare costs continue to rise, employers face the struggle of continuing to offer benefits to employees while attempting to minimize costs. A study conducted by the Henry J. Kaiser Family Foundation and the Health Research and Educational Trust found that between 2005 and 2006 employer-based health insurance premiums rose by 7.7 percent. Due to increasing costs and the poor health choices numerous Americans make, many employers have taken it upon themselves to force employees to be accountable for their own health. Traditionally, healthcare benefits have treated illness and disease after they occur. Today, many companies have incorporated the modern approach of preventative care into their benefit plans through wellness programs.

Healthy Options

Although companies can develop wellness programs to suit their individual needs, many target obesity, smoking, exercise, nutrition and healthy choices. Companies can also promote a healthy lifestyle through a culture of wellness. Some organizations offer plans that include on-site fitness centers, bonus programs for successful participation, flu shots, stress management and self-defense training.

While some of these programs require significant monetary backing, that's not always the case. There are alternatives that those with budget limitations may want to consider. For example, free or low-cost screenings and presentations are available through local hospitals, the American Heart Association and the American Cancer Society. Additionally, instead of an on-site fitness center, many smaller employers may want to think about subsidizing whole or portions of gym memberships.

Benefits

Wellness plans clearly benefit both employees and employers in many ways. In fact, some employers view the benefits of wellness plans to be so great that participation is mandatory for employees. The resulting benefits of these programs may include:

- **Reduced/Controlled Healthcare Costs:** Many insurance companies offer employers incentives for implementing and maintaining wellness initiatives. In turn, the employers receive greater benefits because employees who choose a healthy lifestyle generally have lower medical expenses.
- **Reduced Absenteeism/Sick Leave:** Even a few sick employees can disrupt workflow in some businesses. Employees in good health miss work less often for health-related reasons.

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- **Increased Productivity:** Studies show that physical fitness may correlate to psychological health.
- **Reduced Stress:** Stress is linked to many other illnesses including depression, diabetes, obesity and cardiovascular disease. Reducing stress not only keeps employees happier and healthier, it will also increase productivity.
- **Reduced Job-Related Injuries/Worker’s Compensation/Disability Claims:** Wellness programs reduce injuries related to accidents in the workplace. These programs also reduce job-related injuries from repetitive motion and other recurring sources.
- **Improved Bottom-Line Results:** Reducing absenteeism and increasing productivity may in turn improve the company’s bottom line.
- **Attract and Retain Talent:** Changing generations require a change in benefit offerings. Aside from hard dollars, younger generations are looking for soft rewards including lower health insurance premiums, gym memberships and company-sponsored initiatives that fit into their lifestyle.
- **Improved Employee Morale:** With the right touch, a wellness program can demonstrate to employees that their employer genuinely cares about their well-being. When employees feel valued by their employer, they give back to the company.

Considerations

There are a number of areas to consider before implementing a wellness program. Determine your budget before approaching providers to set a clear, realistic view of what your organization can afford. To increase the utilization of your programs, it is crucial to gain input from employees. An employee survey or suggestion format will ensure employees appreciate and use the programs. In addition, meeting with a variety of wellness program providers will give you information on timelines, cost and benefits, and will allow you to make an educated decision. Last, but certainly not least, there are often numerous legal issues attached to wellness program implementation. Due to these concerns, organizations should seek the advice of an attorney or an expert in the field to eliminate compliance issues before putting a program into place.

The benefits of a wellness program will ultimately depend on the goals and objectives set when developing the plan. While wellness programs benefit both the employer and its employees, it’s important to approach the plan with cautious optimism due to a web of legal and best practice issues. Although the road to a wellness program may be a rough one, the destination of healthy employees and reduced costs will definitely make the trip worthwhile.

Sources: “Employer-Sponsored Wellness Programs and Employment Law” by Jennifer Brown Shaw and Becki Graham and Gaebler Ventures - Entrepreneurial Tips online